

CWP-20865-2022, CWP-20884-2022 AND CWP-20887-2022 -1-

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

(102)

CWP-20865-2022

PNB MetLife India Insurance Company Limited ...Petitioner

Versus

Naresh Devi and another ...Respondents

CWP-20884-2022

PNB MetLife India Insurance Company Limited ...Petitioner

Versus

Naresh Devi and another ...Respondents

CWP-20887-2022

PNB MetLife India Insurance Company Limited ...Petitioner

Versus

Sunita and another ...Respondents

Date of decision:- 28.01.2026

CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL

Present:- Mr. Nitin Thatai, Advocate (through VC) with
Ms. Shruti Sharma, Advocate, for the petitioner (in all cases).
Mr. Sansar Kundu, Advocate, for respondent No.1 (in all cases).

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SUVIR SEHGAL, J. (Oral)

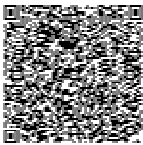
1. A common thread runs through the above mentioned three writ petitions, which are being disposed of by a singular order without examining matters on merit.



2. The primary question, which arises for determination in these petitions, is as to whether a Permanent Lok Adalat, Public Utility Services (for short “Lok Adalat”) established under Section 22-B of Legal Services Authorities Act, 1987 (hereinafter referred to as “1987 Act”) can adjudicate a dispute on merits without formulating the possible terms of settlement and communicating them to the parties. This legal question has been settled by Hon’ble Supreme Court in *Canara Bank versus G.S.Jayarama, (2022) 7 SCC 776*. Noticing the scheme of 1987 Act as well as the purpose of incorporating chapter VI-A in the statute, Apex Court has held that when Lok Adalat comes to a conclusion that a possibility of settlement between the parties exists, it shall formulate terms of such settlement and put it to the parties for their observations. In case, parties agree and sign the settlement, Lok Adalat shall pass an award in terms thereof and provide a copy to the parties concerned. However, if parties do not agree to settle dispute on the terms formulated by the Lok Adalat, jurisdiction is vested in the Lok Adalat to adjudicate dispute on merits under Section 22-C (8) of the 1987 Act, unless the dispute relates to any offence.

3. A perusal of impugned award shows that Lok Adalats have recorded that attempts were made to settle dispute by conciliation and the terms of possible settlement were known to the parties, but there is nothing on record to show that such terms were ever formulated or given to the parties in writing. Counsel for the contesting respondent has made a reference to the statement of counsel for claimant, wherein he stated that dispute cannot be amicably settled.

Despite a specific query, counsel could produce terms of settlement, which it



appears were never drafted. It is evident that in absence of possible terms and settlement, obligatory procedure laid down under Section 22-C (7) of the 1987 Act has been breached.

4. In this background, this Court is left with no other option except to set aside impugned awards in all the writ petitions and remit the matters to the Lok Adalat for adjudication afresh. For the afore-going reasons, impugned awards are set aside. Matters are remanded to the Lok Adalat, Jind, for afresh determination after adhering to the procedure prescribed under the statute.

5. All three writ petitions are disposed of.

6. Parties are directed to appear before Lok Adalat, Jind, on 16.02.2026, at 10:00 A.M., for further proceedings in accordance with law. Lok Adalat shall make an endeavour and conclude the proceedings as expeditiously as possible, preferably within a period of six months from the date of appearance of the parties.

(SUVIR SEHGAL)
JUDGE

28.01.2026
Pardeep

Whether Speaking/Reasoned	Yes
Whether Reportable	Yes/No